

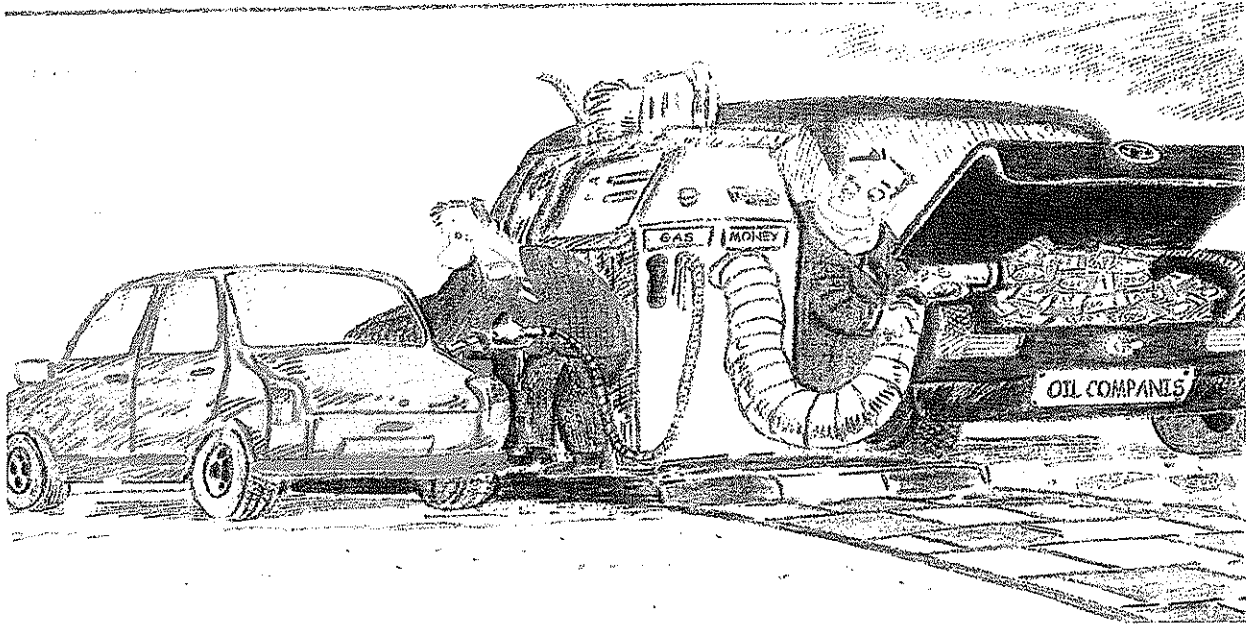


**GASOLINE & AUTOMOTIVE SERVICE  
DEALERS OF AMERICA, Inc.**

78 Harvard Ave, Suite 260 Stamford, CT. 06902-4543

OFFICE 203-327-4773 FAX- 203-323-6935 Web Site – [www.gasda.org](http://www.gasda.org)

*Our Members are responsible for selling over 60%  
of gasoline sold annually in the State of Connecticut!*



**GENERAL LAW COMMITTEE  
PUBLIC HEARING**

**Testimony on House Bill 6518 An Act Concerning the Fair  
Price of Gasoline**

*By Michael J. Fox, Executive Director*

**February 26, 2009**

Good morning Senator Colapietro and Representative Shapiro and members of the general law committee. My name is Michael Fox and I am the Executive Director of The Gasoline & Automotive Service Dealer's of America, Inc. a trade association representing over 450 franchise service stations in Connecticut.

We "thank you" and strongly support House Bill 6518 AAC the Fair Price of Gasoline. While the bill does need tweaking, we look forward to working with the committee and members of the industry to make those changes. This bill would result in the strongest law today regarding the fair wholesale pricing of gasoline and would create wholesale competition that has not existed in Connecticut for a very long time. Retail price competition has been fierce with station owners selling gasoline at a loss just to keep customers coming into their stations. This was not because the station owner ran a bad business or did not provide a quality product, but rather because his/her supplier was charging a higher DTW price for gasoline and hide it behind a system known as "zone pricing". This bill would level the playing field, allow for volume discounts, allow for loans or improvements to still be made for individual locations and provides lower cost incentives on equal terms for all. Imagine going into a bank seeking an advertised interest rate of 4%, only to be told you qualify, but because of where your house is, you would be required to pay 8%! That is what has been happening in the wholesale gasoline business for over 10+ years and this bill will put an end to it!

Tweaking that I refer to early is very simple changes like on line 17 making sure that an itemized gasoline invoice is provided for all gasoline deliveries and not just if discounts or rebates are offered.

Line 40 needs to be changed from 5-days to 30-days as four or five-year-old records will not be readily available. I thank this committee for its continued efforts to level the playing field and create a competitive wholesale environment for gasoline. We must keep in mind, these are very tough economic times and many distributors of gasoline have recently filed for bankruptcy. While none so far in Connecticut, we must keep that in mind as with Big Oil exiting the market, we must encourage more distributors to create more competition. Eliminating distributors and or retailers would only drive retail gasoline prices higher not lower for consumers. I look forward to continuing to work on language to make this a better bill, but its passage is long overdue!